

Decision No. 43327

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SOUTHERN CALIFORNIA GAS COMPANY, a)
 corporation, and SOUTHERN COUNTIES)
 GAS COMPANY OF CALIFORNIA, a corpo-)
 ration, under Section 50(b) of the)
 Public Utilities Act for a certifi-)
 cate that public convenience and)
 necessity require the exercise of)
 the rights and privileges granted)
 by Ordinance No. 632 of the City of)
 South Gate, California.)

Application No. 30527

T. J. Reynolds and Milford Springer,
by Milford Springer for applicants.

O P I N I O N

Southern California Gas Company, hereinafter referred to as the California Company, and Southern Counties Gas Company of California, hereinafter referred to as Counties Company, in this joint application ask for a certificate of public convenience and necessity to exercise the rights and privileges of a franchise granted by the City of South Gate, permitting the installation, maintenance, and use of a gas pipe line in a limited portion of the city, as more particularly set forth in Ordinance No. 632, a copy of which is attached to and made a part of the application and designated as Exhibit "B".

This franchise was granted by the city in accordance with the Broughton Act and is for a term of 50 years. A fee is payable annually to the city equivalent to two per cent of the gross receipts arising from the use, operation, or possession of the franchise.

The costs incurred by applicants in obtaining the franchise are stated to have been \$1,997.50, which includes the \$50 filing fee and the \$9 expense of publication of Notice of Hearing.

A public hearing on this application was held by Examiner Crenshaw on August 29, 1949, at which no objection to the granting of the requested certificate was manifested.

According to the records the California Company now operates a gas distribution system in the City of South Gate under a certificate granted by Decision No. 42399, dated January 4, 1949, in Application No. 29806.

In the present application, applicants, as tenants in common, with an undivided three-fourths (3/4) interest in California Company and an undivided one-fourth (1/4) interest in Counties Company, plan to construct and operate a 30-inch diameter pipe line connecting with the existing Texas-Los Angeles pipe line at Rivera and extending to Crenshaw Boulevard in Los Angeles.

The new franchise was obtained from the City of South Gate for the purpose of keeping this joint venture separate and apart from the present operations of either the California Company or the Counties Company. Since the California Company is serving gas in the City of South Gate, the new pipe line contemplated in this application is primarily to be used by applicants for transporting gas through the city.

As the installation of this pipe line is to reinforce the gas supply of applicants, it is evident from the record that the certificate applied for should be granted.

The certificate of public convenience and necessity herein granted is subject to the following provisions of law:

That the Commission shall have no power to authorize the capitalization of the franchise involved herein or this certificate of public convenience and necessity or the right to own, operate or enjoy such franchise or certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State or to a political subdivision thereof as the consideration for the grant of such franchise, certificate of public convenience and necessity or right.

O R D E R

Application as above entitled having been filed, a public hearing having been held thereon, the matter having been submitted, the Commission being fully advised in the premises and hereby finding that public convenience and necessity so require,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity is hereby granted to Southern California Gas Company and Southern Counties Gas Company of California to exercise the rights and privileges granted by the City of South Gate by Ordinance No. 632, adopted May 31, 1949, as limited therein.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at Los Angeles, California, this 20th day of September, 1949.

R. Z. Indarman
Justice F. Craven
Joseph J. Quinn
Harold P. Hula
Samuel P. Pottel
Commissioners